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Defining the Role of the Jury in Patent Litigation: The Court Takes Inventory

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I. INTRODUCTION

In a global economy where fast paced technological and scientific developments create stiff competition, patents are valuable property. The value of a patent to the patentee or the patent owner hinges on the ability to enforce the right to exclude others from making, using or selling the patented invention.[1]

Patent litigation is inherently complex for several reasons. First, although patent law is statutorily based, with over two centuries of judicial interpretation the Supreme Court has yet to address many patent issues. Second, rules of patent claims drafting and the patent examination process are simply arcane. Third, and perhaps most importantly, modern inventions are based on highly complex technology and scientific principles that were not anticipated by early patent law jurisprudence.

The demand for jury trials in patent cases has increased dramatically over the past few decades. Jury verdicts in patent cases are, however, often unpredictable and inconsistent. Some believe the reason for such inconsistency is the sheer complexity of the issues arising in patent litigation, which are often far beyond the comprehension of the average individual. This skepticism has led many to advocate limiting the jury's role in patent litigation, or even completely eliminating the jury from such cases.

The increasing value of patents in our economy dictates a pressing need for uniformity in the application of patent law. Restricting the role of the jury to achieve this uniformity, however, clearly conflicts with the right to a jury trial in civil cases guaranteed by the Seventh Amendment to the United States Constitution.

The United States Court of Appeals for the Federal Circuit has recently reviewed three cases that illustrate the need for delineating the role between the judge and jury in patent litiga-

1. This is the right bestowed by the grant of a patent in exchange for the inventor's disclosure of his invention to the public. U.S. CONST., art. I, § 8, cl. 8.

tion. In *In re Lockwood*,[2] the Federal Circuit addressed the issue of how the Seventh Amendment right to a jury trial applies in the context of patent validity. In *Markman v. Westview Instruments, Inc.*,[3] the Federal Circuit addressed the issue of whether patent claims construction is a matter of law for the court or a question of fact for the jury. In *Hilton Davis Chemical Co. v. Warner-Jenkinson Co.*,[4] the court determined whether infringement under the doctrine of equivalents is a matter to be decided by the jury as a legal issue or the court as an equitable one. The United States Supreme Court granted petitions for certiorari in all three cases.

Part II of this comment provides a brief overview of patent law jurisprudence. Part II also discusses the Seventh Amendment right to a civil trial by jury and the application of the "historical test" and so-called "complexity exception" as they relate to this issue. Part III of this comment discusses each of the Federal Circuit decisions cited above as well as the Supreme Court decision in *Markman*, and part IV analyzes how the *Markman* decision is likely to affect the issues addressed by the Federal Circuit in the other two cases. Finally, part V concludes that given the importance of the constitutional mandate of civil trial by jury, the Court is not attempting to eliminate or restrict jury trials in patent litigation, but rather to define and clarify the respective roles of judge and jury in these cases.

II. Background

A. *Patents*

i. The Statute

The United States Constitution empowers Congress to establish laws governing the grant of patents by the following provision: "The Congress shall have power . . . [t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries . . . ."[5] Current statutory patent law allows the grant of a patent for "any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof . . . ."[6] In addition to the requirement that the invention or discovery be useful, the stat-

2. 50 F.3d 966 (Fed. Cir. 1995), *vacated* and *remanded*, 116 S. Ct. 29 (1995).
3. 52 F.3d 967 (Fed. Cir. 1995), *aff'd*, 116 S. Ct. 1384 (1996).
4. 62 F.3d 1512 (Fed. Cir. 1995), *cert. granted*, 116 S. Ct. 1014 (1996).
5. U.S. Const., art. I, § 8, cl. 8.
6. 35 U.S.C. § 101 (1988).

ute requires that the invention be novel[7] and nonobvious "to a person having ordinary skill" in the relevant art.[8]

Modern patents are required to set forth a written description of the invention in "such full, clear, concise, and exact terms" as to enable any person skilled in the relevant art to make and use the invention.[9] This written description is defined as the "specification."[10] The specification must disclose the preferred embodiment or "best mode" of making or carrying out the invention contemplated by the inventor at the time of application.[11] The law mandates that the specification "conclude with one or more claims particularly pointing out and distinctly claiming the subject matter" that is regarded as the invention.[12] The claims, as distinguished from the rest of the specification, define the "metes and bounds"[13] of the invention.[14]

ii. Infringement

The current United States patent statute provides: "[W]hoever without authority makes, uses, offers to sell or sells any patented invention, within the United States during the term of the patent

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7. *Id.* § 102. The statute provides, in pertinent part:

> A person shall be entitled to a patent unless (a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent, or (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States . . . .

Id.

8. *Id.* § 103. The statute sets forth, in relevant part:

> A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains . . . .

Id.

9. *Id.* § 112.

10. *Id.*

11. 35 U.S.C. § 112 (1988).

12. *Id.* There was no specific requirement for claims in the United States patent statute until the Act of 1836. 1 A. DELLER, PATENT CLAIMS § 3 (2d ed. 1971) (citing Patent Act of 1836, § 6). It appears that the provision in the Act requiring claims was inserted in the law for the purpose of relieving courts from the duty of ascertaining the exact invention and comparing the claimed invention with the prior art. *Id.* § 4 (citing Keystone Bridge Co. v. Phoenix Iron Co., 95 U.S. 274 (1877)). This task was cast upon the Patent Office examiner, with whom it remains today. *Id.*

13. "Metes and bounds" is a term used in property law describing the measurement and determination of the precise boundaries of a parcel of land. BLACK'S LAW DICTIONARY 991 (6th ed. 1990).

14. Pennwalt Corp. v. Durand-Wayland, Inc., 833 F.2d 931, 946 (Fed. Cir. 1987) (Bennett, J., dissenting in part)(quoting Thomas & Betts Corp. v. Litton Systems, Inc., 720 F.2d 1572 (Fed. Cir. 1983). *See also* 1 A. DELLER, *supra* note 12 at § 4 n.9, stating: "It is the office of the claim to reveal to the world what the characteristics of the invention are for which the patentee desires protection."

therefore, infringes the patent."[15] When determining if an accused device literally infringes a valid patent, one must look to the claims in view of the specification to determine what precisely is the claimed invention.[16] "If [the] accused matter falls clearly within the claim, [literal] infringement is made out and that is the end of it."[17]

Early patent law jurisprudence developed an additional theory of patent infringement known as the "doctrine of equivalents."[18] The invocation of the doctrine acts to expand the scope of the patent protection that is defined by the claims.[19] More specifically, even if a patent claim is not literally infringed, it may nevertheless be infringed under the doctrine of equivalents if the accused device "performs substantially the same function in substantially the same way to obtain the same result" as the patented invention.[20]

A determination of patent infringement is a two-step process.[21] First, the meaning of the patent claims at issue must be ascertained. Second, the properly construed claims must be compared to the accused matter to decide whether each limitation in the properly construed claims is found, either literally or equivalently, in the accused matter.[22] Normally, the first step, claims

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15. 35 U.S.C. § 271(a) (1988). Congress expanded the definition of infringement to include offers to sell patented inventions and importation into the United States. This expanded definition became effective on January 1, 1996. Pub. L. 103-564 § 533(a), 108 Stat. 4809 (Dec. 8, 1994).

16. Graver Tank & Mfg. Co. v. Linde Air Products Co., 339 U.S. 605, 607 (1950).

17. *Graver Tank*, 339 U.S. at 607.

18. The origin of the doctrine of equivalents may be traced back well over a century to *Winans v. Denmead*, 56 U.S. (15 How.) 330 (1853), where the Court stated:

> Where form and substance are inseparable, it is enough to look at the form only. Where they are separable; where the whole substance of the invention may be copied in a different form, it is the duty of the courts and juries to look through the form for the substance of the invention - for that which entitled the inventor to his patent, and which the patent was designed to secure; where that is found, there is infringement; and it is not a defence, that it is embodied in a form not described, and in terms claimed by the patentee.

Id. at 343.

19. *See* Royal Typewriter Co. v. Remington Rand, Inc., 168 F.2d 691, 692 (2d Cir. 1948), in which the court stated:

> [A] patent is like any other legal instrument; but it is peculiar in this, that after all aids to interpretation have been exhausted, and the scope of the claims has been enlarged as far as the words can be stretched, on proper occasions courts make them cover more than their meaning will bear.

Id.

20. Kurt L. Glitzenstein, *A Normative and Positive Analysis of the Scope of the Doctrine of Equivalents*, 7 HARV. J.L. & TECH. 281, 283 (1994) (citing Sanitary Refrigerator Co. v. Winters, 280 U.S. 30, 42 (1929)).

21. Morton Int'l Inc. v. Cardinal Chemical Co., 5 F.3d 1464, 1468 (Fed. Cir. 1993); Read Corp. v. Portec, Inc., 970 F.2d 816, 821 (Fed. Cir. 1992); Palumbo v. Don-Joy Co., 762 F.2d 969, 974 (Fed. Cir. 1985).

22. *Read Corp.*, 970 F.2d at 821.

construction, is a matter of law for the judge; the second step, infringement determination, is a question of fact for the jury.[23]

The process of claims construction (a matter of law) may require courts to look beyond the actual claims and specification to certain extrinsic evidence such as prosecution or file history, prior art documents and expert testimony to gain a clear understanding of the invention.[24] The focus in construing claim language is not a subjective test of what the parties to the patent intended the claims to mean, but rather an objective test of what one of ordinary skill in the relevant art at the time of the invention would understand the claims to mean.[25]

As judges are not often "conversant in the particular technical language of the art,"[26] extrinsic evidence may be necessary to interpret the claim language.[27] When terms in claim language are in dispute, judges might find it necessary to make factual determinations based upon such extrinsic evidence. These factual determinations are at the heart of much recent controversy.

B. The Seventh Amendment Right to a Trial by Jury

i. History

The Seventh Amendment to the United States Constitution requires that "[i]n Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise re-examined in any Court of the United States, than according to the rules of common law."[28] The right to a civil jury trial was not guaranteed by the Constitution when it was adopted in 1789.[29] In fact, the delegates to the constitutional convention had considered but rejected such a provision.[30] The absence of the guarantee of a jury trial in civil cases, however, was a source of objection in many state conventions during ratification of the Constitution. Therefore, the first Congress included the Seventh Amendment in the Bill of Rights.[31] Failure to discern the original objectives

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23. *Winans*, 56 U.S. (15 How.) at 338. *See also Markman*, 116 S. Ct. at 1384, stating that "there is no dispute that infringement cases must be tried to a jury . . . ." *Id.*

24. *Markman*, 52 F.3d at 981. A patent file history or file wrapper is the "written record of preliminary negotiations between an applicant and the Patent Office for a patent." BLACK'S LAW DICTIONARY 628 (6th ed. 1990).

25. *Markman*, 52 F.3d at 981.

26. *Id.*

27. *Id.*

28. U.S. CONST. amend. VII.

29. Douglas King, *Complex Civil Litigation and the Seventh Amendment Right to a Jury Trial*, 51 U. CHI. L. REV. 581, 585 (1984).

30. *Id.*

31. *Id.*

of the proponents of the Seventh Amendment has been a persistent obstacle to understanding the intended meaning of the Amendment.[32] Efforts to define the scope of the highly valued right to a civil trial by jury[33] have been hampered by the fact that no record of the contemporary congressional debates concerning the right exists.[34]

ii. The "Historical Test"

Justice Story formulated the accepted interpretation of the Seventh Amendment in his 1812 opinion in *United States v. Wonson*.[35] He determined that while the Seventh Amendment does not create an independent right to a jury trial, it maintains a party's rights equivalent in scope to those that existed at common law in England in 1791, when the Bill of Rights was ratified.[36] This "historical test" is employed to determine such issues as the respective functions of the judge and jury in a jury trial and whether a jury need be available at all.[37]

In a later case, Justice Story explained that the right to a civil jury trial is not limited to the precise causes of action available in the law courts of England.[38] In *Tull v. United States*,[39] the Supreme Court held that the right to a jury trial extends to causes of action created by Congress that are similar to common law forms of action.[40] Recently, the Court further found that the Seventh Amendment right to a jury trial exists in a cause of action merely analogous to 18th century forms of action, even though the cause of action was unknown at common law.[41]

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32. Charles Wolfram, *The Constitutional Theory of the Seventh Amendment*, 57 MINN. L. REV. 639 (1973).

33. *See* THE FEDERALIST No. 83 (Alexander Hamilton), providing:

> The friends and adversaries of the plan of the convention, if they agree in nothing else, concur at least in the value they set upon the trial by jury: or if there is any difference between them, it consists in this: the former regard it as a valuable safeguard to liberty, the latter represent it as the very palladium of free government.

Id.

34. King, *supra* note 29 at 585.

35. 29 F.Cas. 745 (C.C.D. Mass. 1812)(No. 16,750).

36. *Wonson*, 29 F.Cas. at 750 (stating that "[b]eyond all question, the common law here alluded to [in the Seventh Amendment] is not the common law of the individual states (for it is probably different in all), but is the common law of England, the grand reserve of our jurisprudence").

37. *Id.*

38. *See* Parsons v. Bedford, 28 U.S. (3 Pet.) 433, 446-47 (1830).

39. 481 U.S. 412 (1987).

40. *Tull*, 481 U.S. at 417 (citing Curtis v. Loether, 415 U.S. 189, 193 (1974)).

41. Chauffeurs, Teamsters & Helpers Local No. 391 v. Terry, 494 U.S. 558, 565-66 (1990) (holding that right to jury trial applied to action for breach of labor union's duty of fair representation).

iii. The Complexity Exception

When first articulated, the historical test was readily applicable because 19th century litigation closely resembled that of the late 18th century when the Bill of Rights was ratified.[42] Application of the test in recent times has proven more problematic. As one author commented, a liberalization of the Federal Rules of Civil Procedure and a proliferation of new causes of action, which together have created the possibility for civil litigation far beyond a level of complexity ever imaginable in the common law courts of 1791, have occurred in the last fifty years.[43] Another commentator noted: "Asking how 1791 England would deal with a 1991 multi-district patent infringement case is a little like asking how the War of Roses would have turned out if both sides had airplanes."[44]

Multi-claim/multi-party cases were indeed heard in equity in 1791.[45] Some commentators reason, however, that since complex cases were not heard at law during that period, the Seventh Amendment does not preserve a current right to a civil jury trial in such litigation.[46]

In *Ross v. Bernhard*,[47] the Supreme Court dropped the so-called "*Ross* footnote," which later prompted some to speculate about the future of jury trials in complex litigation. After discussing the distinction between law and equity, the Court stated within the *Ross* footnote that "the legal nature of an issue is determined by considering, first, the pre-merger custom with reference to such questions; second, the remedy sought; and third, the practical abilities and limitations of the juries."[48]

As a result of the *Ross* footnote, the circuits have split over the existence of a "complexity exception" to the Seventh Amendment.[49] The Ninth Circuit, in *In re U.S. Financial Securities Litigation*,[50] denied that such an exception exists and applied the

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42. King, *supra* note 29 at 581.

43. *Id.* at 582.

44. Kenneth S. Klein, *The Myth of How to Interpret the Seventh Amendment Right to a Civil Jury Trial*, 53 OHIO ST. L. J. 1005, 1028 (1992). Klein noted that for the past two hundred years, courts have operated under the myth that Seventh Amendment language holds a "kernel of a black letter rule of law," but that the black letter rule has no more substance than "the emperor's clothes." *Id.* at 1006.

45. Rita Sutton, *A More Rational Approach to Complex Civil Litigation in the Federal Courts: The Special Jury*, 1990 U. CHI. L. F. 575 (citing King, *supra* note 29 at 603-06).

46. *Id.*

47. 396 U.S. 531 (1970).

48. *Ross*, 396 U.S. at 538 n.10.

49. *See* Sutton, *supra* note 45.

50. 609 F.2d 411 (9th Cir. 1979).

literal guarantee of a right to a civil jury trial to that case.[51] In doing so, the court stated that "it is doubtful that the Supreme Court would attempt to make such a radical departure from its prior interpretation of a constitutional provision in a footnote."[52] The Third Circuit, however, utilizing the rationale of the *Ross* footnote, denied a request for a jury trial due to the complexity of the underlying litigation in *In re Japanese Electronic Products Antitrust Litigation*.[53] The court reasoned that a jury that cannot understand the proffered evidence and applicable legal principles fails to provide the safeguard against erroneous decisions, which is the primary value of due process in fact finding procedures.[54]

In 1987, the Supreme Court attempted to end the speculation that the *Ross* footnote established a complexity exception. In *Tull v. United States*,[55] the Court noted that an inquiry into the "practical abilities and limitations of juries" should be made only when considering the applicability of the Seventh Amendment to administrative law courts.[56] Subsequently, in *Granfinanciera, S.A. v. Nordberg*,[57] the Court further indicated that the *Ross* footnote concerned only the functional capabilities of the jury mechanism in administrative proceedings and not the abilities of individual jurors.[58] This restrictive treatment of the *Ross* footnote clearly indicates that the Court is unlikely to sanction a complexity exception to the Seventh Amendment.[59]

The fact that the jury's role in patent litigation has come under fire is not surprising given the rather arcane rules of patent claims drafting,[60] the increasing complexity of inventions and the enormous importance of intellectual property in our modern global economy. Rising costs of litigation and lack of predictability of outcome are the primary concerns noted in support of abol-

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51. *U.S. Financial Securities Litigation*, 609 F.2d at 431.

52. *Id.* at 425.

53. 631 F.2d 1069 (3d Cir. 1980).

54. *Japanese Electronic Products*, 631 F.2d at 1084 (citing Greenholtz v. Inmates of the Nebraska Penal and Correctional Complex, 442 U.S. 1, 13 (1979)). Notably, the district courts have also addressed the possible complexity exception to a jury trial right with varying results. *See* Sutton, *supra* note 45 at n.57.

55. 481 U.S. 412 (1987).

56. *Tull*, 481 U.S. at 418 n.4. The Court also noted that these considerations have not been used as a basis to extend the right to a jury trial under the Seventh Amendment. *Id.*

57. 492 U.S. 33 (1989).

58. *Granfinanciera*, 492 U.S. at 42 n.4.

59. For a more comprehensive history and explanation of the complexity exception, *see* REMARKS OF HERBERT SCHWARTZ, Eleventh Federal Circuit Judicial Conference (June 18, 1993), *in* 153 F.R.D. 177, 240-44 (1993).

60. *See* LANDIS, MECHANICS OF PATENT CLAIMS DRAFTING (3d ed. 1991).

ishing jury trials in patent cases. In recent times, parties in patent cases who are unlikely to prevail appear to nevertheless "throw the dice" and demand a jury trial.[61] Since a high showing is required for reversal of a jury verdict,[62] a favorable verdict is likely to be insulated from meaningful review.[63]

Some commentators disagree that a request for a jury trial in a patent case is a mere "throw of the dice."[64] They argue that a jury trial in a patent case is actually likely to bring about a decision more quickly because there are fewer trial interruptions and the jury's presence ensures simplification of highly technical evidence and complex legal rules.[65] Furthermore, these commentators note that there is no evidence that judges can render qualitatively better decisions than juries.[66]

Proponents of limiting the jury's role in patent litigation argue that extraordinary demands are placed on juries confronted with complex scientific and technical evidence and time consuming patent law issues.[67] Moreover, during jury selection, a potential juror who possesses the level of education and technological knowledge necessary to comprehend the complexities likely to arise in a patent trial is more likely to be challenged by one of the parties.[68] Arguably, it is in the best interest of the party with a technically weak case to rid the panel of any juror likely to comprehend the issues with the use of peremptory challenges.[69]

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61. John B. Pegram, *Should the U.S. Court of International Trade be Given Patent Jurisdiction Concurrent with that of the District Courts?*, 32 HOUS. L. REV. 67, 83 (1995)(quoting REMARKS OF ROCHELLE COOPER DREYFUSS, Tenth Federal Circuit Judicial Conference (April 30, 1992), *in* 146 F.R.D. 205, 239 (1992)).

62. *See* Perkin Elmer Corp. v. Computervision Corp., 732 F.2d 888, 893 (Fed. Cir. 1984)(holding that on appeal, jury findings and legal conclusions are presumed to be supported by substantial evidence). The court defined substantial evidence as "such relevant evidence from the record taken as a whole as might be accepted by a reasonable mind as adequate to support the finding under review." *Id.*

63. Pegram, *supra* note 61 at 83.

64. *Id.*

65. *Id.*

66. *Id.* at 83 n.98 (citing as an example REMARKS OF ROBERT MAYER, Eleventh Federal Circuit Judicial Conference (June 18, 1993), *in* 153 F.R.D. 177, 252 (1993)).

67. *Id.* (citing Lemelson v. General Mills, Inc., 968 F.2d 1202 (Fed. Cir. 1992)(reversing jury verdict on grounds that jury had reached inherently inconsistent conclusions regarding alleged uniqueness of patent in issue); Texas Instruments, Inc. v. Cypress Semiconductor Corp., No. 3:90-CV-150-H (N.D. Tex. Aug. 23, 1995)(reversing jury verdict because jurors had either failed to follow law or were hopelessly confused)).

68. Matsushita Amici Brief at n.6 (citing Stephen I. Friedland, *Legal Institutions: The Competency and Responsibility of Jurors in Deciding Cases*, 85 NW. U. L. REV. 190, 193 (1990)). *See also* Warren Burger, *Is Our Jury System Working?*, READER'S DIGEST, Feb. 1981 at 126, 129 (stating that "[w]hen lawyers are allowed in on [the jury selection] process they often pervert the quest for an impartial jury with questions that seek not so much to identify bias as to define sympathies and thus obtain a favorable jury").

69. Matsushita Amici Brief at n.6.

III. The Federal Circuit: Recent Decisions

As previously noted, the Federal Circuit[70] has addressed the role of the jury in patent litigation in three very recent decisions. The Supreme Court has granted petitions for certiorari in all three cases.

A. *In re Lockwood*

In the *In re Lockwood* decision,[71] Lawrence B. Lockwood ("Lockwood") brought a patent infringement action against American Airlines, Inc.("American") and moved for a jury trial.[72] American raised several defenses to the complaint, including the alleged invalidity of the patents at issue, and counterclaimed for a declaratory judgment of noninfringement or a judgment that the patents at issue were invalid.[73] American moved for and the court granted summary judgment on the infringement claim, and the court then proceeded to consider American's prayer for declaratory judgment of invalidity.[74]

American moved to strike Lockwood's motion for a jury trial, arguing that because the court had dispensed with the infringement claim, its prayer for declaratory relief was the only claim remaining.[75] The trial court granted American's motion to strike on the issue of validity, concluding that since the remaining claims were equitable in nature, Lockwood was not entitled to a trial by jury.[76]

Lockwood petitioned the Court of Appeals for the Federal Circuit for a writ of mandamus directing the district court to rein-

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70. The Court of Appeals for the Federal Circuit was created in 1982 by the Federal Courts Improvement Act, which merged the existing Court of Customs and Patent Appeals with the appellate division of the Court of Claims. Federal Courts Improvement Act of 1982, Pub. L. No. 97-164, §§ 122, 127, 96 Stat. 25, 36-39 (1982). As early as 1966, the Supreme Court noted that there was a "notorious difference" between standards of patentability applied by the courts and standards applied by the Patent Office. Graham v. John Deere Co., 383 U.S. 1, 18 (1966). There also existed a wide range of variability among the various circuits, which led to forum shopping in patent cases. *See* S. Rep. No. 275, 97th Cong., 2d Sess. 2 (1981), *reported in* 1982 U.S.C.C.A.N. 11, 15. Consequently, the Federal Circuit was established to provide uniformity of patent decisions and the stability of patent law in general. *Id.* at 5.

71. 50 F.3d 966 (Fed. Cir. 1995), *vacated and remanded*, American Airlines, Inc. v. Lockwood, 116 S. Ct. 29 (1995).

72. *See* Lockwood v. American Airlines, Inc., 834 F. Supp. 1246 (S.D. Cal. 1993). Lockwood alleged that American's computerized reservation system infringed two patents relating to self-service terminals and automatic ticket dispensing systems. *Id.*

73. *Lockwood*, 50 F.3d at 968. Lockwood sought both damages and injunctive relief and made a timely jury demand. *Id.*

74. *Id.* The district court had denied Lockwood's motion to certify the summary judgment decision for immediate appeal. *Id.*

75. *Id.* at 969.

76. *Id.*

state his jury demand.[77] The Federal Circuit granted Lockwood's petition, reasoning that since Lockwood's underlying infringement claim was the basis of his action, his claim for infringement damages still existed and thus Lockwood was entitled to a jury trial on the factual issues relating to patent validity.[78]

American subsequently petitioned the Federal Circuit for rehearing, which the court granted.[79] On rehearing, the Federal Circuit held that the infringement claim no longer existed and that the statements in its previous order were erroneous.[80] The court continued to disagree, however, with the trial court's reasoning that since American's claim for declaratory judgment was equitable in nature, Lockwood was not entitled to a trial by jury under the Seventh Amendment.[81]

The court concluded that given the grave importance of Lockwood's Seventh Amendment right to a jury trial, "the right to grant mandamus to require a jury trial where it has been improperly denied is [well] settled."[82] The court then evaluated Lockwood's right to a jury trial on the factual questions relating to patent validity as they arose in a paradigmatic patent infringement suit.[83]

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77. *Id.* A writ of mandamus "issues from a court of superior jurisdiction, and is directed to . . . an inferior court, commanding the performance of a particular act therein specified . . . or directing the restoration of the complainant to rights or privileges of which he has been illegally deprived." BLACK'S LAW DICTIONARY 866 (6th ed. 1990).

78. *Lockwood*, 50 F.3d at 968-69. On rehearing, the court redacted its erroneous holding that Lockwood's claim for infringement still existed despite the fact that the district court had dismissed the claim on summary judgment. *Id.* at 969.

79. *Id.* at 968. American presented two arguments in its petition: first, that because the court below had dismissed Lockwood's infringement claim, the only claim remaining was American's prayer for a declaration of patent invalidity; and second, that American's action for a declaratory judgment was purely equitable in nature, therefore Lockwood was not entitled to a jury trial under the Seventh Amendment. *Id.* at 969.

80. *Id.* (citing *In re* Evangelist, 760 F.2d 27, 32 (1st Cir. 1985)(refusing to consider dismissed claim in determining whether jury demand should be met); Hildebrand v. Board of Trustees, 607 F.2d 705, 710 (6th Cir. 1979)(suggesting that claim for damages dismissed on summary judgment should not be considered when determining party's asserted Seventh Amendment right to jury trial)). The court vacated its March 11, 1994 order. *Id.* at 969.

81. *Id.*

82. *Id.* at 970 (citing Dairy Queen, Inc. v. Wood, 369 U.S. 469, 472 (1962)(stating that it is "the responsibility of the Federal Courts of Appeals to grant mandamus where necessary to protect the constitutional right to trial by jury"); Beacon Theaters, Inc. v. Westover, 359 U.S. 500, 511 (1959)(reversing circuit court's refusal to issue writ of mandamus reinstating petitioner's jury trial demand)). The court quoted Justice Sutherland in *Dimick v. Scheidt*, 293 U.S. 474 (1935): "Maintenance of the jury as a fact-finding body is of such importance and occupies so firm a place in our history and jurisprudence that any seeming curtailment of the right to a jury trial should be scrutinized with the utmost of care." *Id.* (quoting *Dimick*, 293 U.S. at 486).

83. *Lockwood*, 50 F.3d at 970-71.

In reviewing Seventh Amendment jurisprudence, the court recognized that the Seventh Amendment embraces adjudication of legal rights created by statute even where those rights have no precursor at common law.[84] The court found that the statutory test[85] requires a two-pronged analysis: (1) the court must compare the statutory action to 18th century actions brought in the courts of England prior to the merger of law and equity; and (2) the court must then examine whether the nature of the remedy sought is legal or equitable.[86] If a claim involves an adjudication of legal rights or requires the invocation of legal remedies, the court "must honor a jury demand to the extent that disputed issues of fact concerning those rights and remedies require a trial."[87]

The court noted that the only claim remaining in Lockwood's case was American's prayer for a declaratory judgment of patent invalidity.[88] The Supreme Court has established that for purposes of the Seventh Amendment, declaratory judgment actions are only as equitable or legal in nature as the controversies upon which they are founded.[89]

The Federal Circuit concluded that the underlying controversy for American's declaratory judgment action of patent invalidity was no more than a suit for patent infringement brought by Lockwood, in which the affirmative defense of invalidity had been pled by American.[90] Such an inversion, the court noted, "cannot operate to frustrate Lockwood's Seventh Amendment

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84. *Id.* at 972 (citing Tull v. United States, 481 U.S. 412, 417 (1987)).

85. *See supra* notes 38-40 and accompanying text for a discussion of the origin of the statutory test. *See supra* notes 34-36 and accompanying text for a discussion of the origin of the historical test for the right to a civil jury trial.

86. *Lockwood*, 50 F.3d at 972 (citing Chauffeurs, Teamsters & Helpers Local No. 391 v. Terry , 494 U.S. 558, 565 (1990); Ross v. Bernhard, 396 U.S. 531, 538 n.10 (1970)).

87. *Lockwood*, 50 F.3d at 972 (quoting *Tull*, 481 U.S. at 425, and Curtis v. Loether, 415 U.S. 189, 195 (1974)).

88. *Id.* at 972-73. The court reasoned that the Declaratory Judgment Act of 1934 created an action in the federal courts that was unknown at common law. *Id.* at 973. The Declaratory Judgment Act provides in pertinent part: "In a case of actual controversy within its jurisdiction . . . any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeing such declaration, whether or not further relief is or could be sought." 28 U.S.C. § 2201 (1988). The modern English declaratory judgment action did not develop in Chancery until the late 19th century. *Lockwood*, 50 F.3d at 972 n.7 (citing EDWIN BORCHARD, DECLARATORY JUDGMENTS 125-31 (2d ed. 1941)). From the passage of the Declaratory Judgment Act until the merger of law and equity in the federal courts, declaratory judgment actions were heard in both law and equity. *Id.* at 973.

89. *Lockwood*, 50 F.3d at 973 (citing Simler v. Conner, 372 U.S. 221, 223 (1962)). *See also* FED. R. CIV. P. 57.

90. *Lockwood*, 50 F.3d at 974.

rights."[91] The court then reasoned that since this inverted patent infringement suit could have been raised either at law or at equity in 18th century England, Lockwood was entitled to have the factual questions relating to the validity of his patents tried before a jury.[92] Accordingly, the court granted Lockwood's petition for writ of mandamus directing the district court to reinstate his jury demand.[93]

Notably, the dissenting judges offered some compelling arguments against the court's grant of mandamus. They argued against the *Lockwood* order respecting the right to trial by jury on the issue of patent invalidity, or the underlying facts, for three reasons.[94] First, the judges reasoned, the validity of a patent involves public, not private, rights and Seventh Amendment jury trials are not available for a determination of public rights.[95] Second, the declaratory judgment of patent invalidity sought by American in this case could not be the inverse of an infringement action for damages for several reasons.[96] Initially, since the infringement action had been dismissed, it no longer existed. The court erroneously granted a jury trial based on the presence of a "legal right" issue without a claim for damages.[97] Moreover,

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91. *Id.* at 975 (citing *Beacon Theaters*, 359 U.S. at 504; Owens-Illinois, Inc. v. Lake Shore Land Co., 610 F.2d 1185, 1189 (3d Cir. 1979)(stating, "[i]f the declaratory judgment action does not fit into one of the existing equitable patterns, but is essentially an inverted law suit - an action brought by one who would have been a defendant at common law - then the parties have a right to a jury")). *See* 5 DONALD S. CHISUM, PATENTS § 20.03 [4][c][vi] at 20-428 n.109 (noting that suit for declaratory judgment of invalidity "is in substance an infringement suit with the parties initially reversed"); 6A JAMES W. MOORE ET. AL., MOORE'S FEDERAL PRACTICE ¶ 57.20 at 57-213 (stating,"[a] declaratory action brought by the accused infringer is for the purpose of securing a judicial determination of plaintiff's immunity from the operation of the patent laws - not to assert rights provided by those laws . . . . The issues sought to be adjudicated are precisely the same as in an infringement suit").

92. *Lockwood*, 50 F.3d at 976 (citing 2 JOSEPH STORY, COMMENTARIES ON EQUITY JURISPRUDENCE §§ 930-934 at 236-39 (photo. reprint 1988)(13th ed. 1886); *See* 5 MOORE, *supra* note 91 § 38.11[5]-[6]).

93. *Lockwood*, 50 F.3d at 980.

94. *Id.* at 981 (Nies, J., dissenting).

95. *Id.* (citing Granfinanciera, S.A. v. Nordberg, 492 U.S. 33, 42 n.4 (noting that Seventh Amendment protects litigant's right to jury trial only if cause of action is legal in nature and involves matter of private right)). The concept of "public rights" was originally limited to litigation where the government was a party, but was later expanded to cases where the government was not a party in *Thomas v. Union Carbide Agric. Prods.*, 473 U.S. 568, 586 (1985) and *Granfinanciera*, 492 U.S. at 54. *Id.* Judge Nies indicated that the Federal Circuit has held that "the issue of patent validity involves public rights, not merely private rights." *Id.* (citing Patlex Corp. v. Mossinghoff, 758 F.2d 594, 604 (Fed. Cir. 1985)). The dissent also argued that Congress has placed patent validity issues within the cognizance of Article I tribunals as well as Article III tribunals, therefore such determinations involve public rather than private rights. *Id.* at 982.

96. *Id.* at 986.

97. *Id.* at 986-87.

the declaratory judgment of invalidity sought by American is not the "flipside" of an infringement action nor necessarily an affirmative defense, because an affirmative defense is limited to particular patent claims asserted in a complaint while a counterclaim may challenge all claims of the patent(s) at issue.[98] Even further, the "case or controversy" required for a declaratory judgment action is the threat of a suit for infringement by the patentee against the declaratory plaintiff and thus infringement in such a case is not an issue.[99]

The third reason proffered by the dissent against the court's grant of mandamus was that they considered the issue of patent validity to be a question of law necessitating resolution of underlying facts by the judge to ensure correct legal determination and uniformity of decisions.[100] According to Judge Nies, the author of the *Lockwood* dissent, a judge is more appropriate than a jury to make the determination of patent validity.[101] Judge Nies also noted that current jury cases are tried in accordance with confusing precedent such that evidence respecting patent validity "is thrown into the black box of the jury room."[102]

Although on June 5, 1995 the United States Supreme Court granted American's petition for certiorari,[103] on September 1, 1995, after the patentee, Lockwood, withdrew his jury demand,

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98. *Lockwood*, 50 F.3d at 986.

99. *Id.* Recently in *Cardinal Chemical Co. v. Morton International, Inc.*, 113 S. Ct. 1967 (1993), the United States Supreme Court held that "a party seeking a declaratory judgment of invalidity presents a claim independent of the patentee's charge of infringement." *Id.* at 1975. *See also* Shell Oil Co. v. Amoco Corp., 970 F.2d 885, 888 (Fed. Cir. 1992); Goodyear Tire & Rubber, Inc. v. Releasomers, Inc., 824 F.2d 953, 955 (Fed. Cir. 1987).

100. *Lockwood*, 50 F.3d at 987-90 (Nies, J., dissenting)(citing Graham v. John Deere Co., 383 U.S. 1, 17 (1966)(stating that ultimate question of patent validity is one of law) (citing Great Atlantic & Pacific Tea Co. v. Supermarket Corp., 340 U.S. 147, 155 (1950)).

101. *Id.* at 989 (Nies, J., dissenting).

102. *Id.* at 988-90 (citing Connell v. Sears, Roebuck & Co., 722 F.2d 1542, 1547-48 (Fed. Cir. 1983) (holding that it was not error to give issue of patent validity to jury and that judge maintained control over issue of law by court's instructions on applicable law and by ruling on directed verdict and new trial motions)); Sarkinstan v. Winn-Proof Corp., 688 F.2d 647 (9th Cir. 1982)(*en banc*)(holding that issue of patent validity is matter of law for court, but that facts must be found by jury); Roberts v. Sears, Roebuck & Co., 723 F.2d 1324 (7th Cir. 1983)(*en banc*) (addressing issue of nonobviousness and declaring issue to be one of law, but holding that underlying factual issues go to jury); Norfin, Inc. v. International Bus. Machine Corp., 625 F.2d 357 (10th Cir. 1980) (recognizing issue of validity to be one of law, but holding that conditions of patentability, *e.g.*, novelty, utility and nonobviousness are issues of fact for jury).

103. *In re* Lockwood, 50 F.3d 966 (Fed. Cir. 1995), *cert. granted sub nom.* American Airlines, Inc. v. Lockwood, 115 S. Ct. 2274 (1995).

the Court vacated the Federal Circuit's decision and remanded the case to the district court with instructions to proceed.[104]

B. Markman v. Westview Instruments, Inc.

In *Markman v. Westview Instruments, Inc.*,[105] the United States Court of Appeals for the Federal Circuit examined whether patent claims construction is a question of law to be decided by the court or one of fact to be decided by the jury.[106] The case commenced when Herbert Markman ("Markman") brought an action against Westview Instruments, Inc. ("Westview") and Althon Enterprises, Inc. in the United States District Court for the Eastern District of Pennsylvania for patent infringement.[107] Markman sought to prove before a jury that the term "inventory" as used in the patent claims of his United States Reissue Patent No. 33,054 (the "'054 patent") could be construed to include "cash" or "invoices" without including "articles of clothing."[108]

At the close of Markman's case in chief,[109] Westview moved for a directed verdict (now "judgment as a matter of law"[110]), but the district court deferred ruling on the motion.[111] Westview then presented testimony of only one witness, its president, who

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104. *In re* Lockwood, 50 F.3d 966 (Fed. Cir. 1995), *cert. granted sub nom.* American Airlines, Inc. v. Lockwood, 115 S. Ct. 2274, *vacated*, 116 S. Ct. 29 (1995).

105. 52 F.3d 967 (Fed. Cir. 1995)(*en banc*), *cert. granted*, 116 S. Ct. 40 (1995,) *aff'd*, 116 S. Ct. 1384 (1996).

106. *Markman*, 52 F.3d at 970.

107. Markman v. Westview Instruments, Inc., 772 F. Supp. 1535 (E.D. Pa. 1991). Markman is the named inventor and owner of United States Reissue Patent No. 33,054, titled "Inventory Control and Reporting System for Drycleaning Stores." *Id.* at 1536. The patent is directed to an inventory control system that purports to solve inventory control problems that often plague the drycleaning industry. *Id.* Markman claimed that his invention would greatly reduce the occurrence of lost items of clothing by incorporating a data processor, bar-coded article tags, optical detector device and customer receipt and business record tickets. *Id.* The inventory system was thereby "capable of monitoring and reporting the status, location and throughput of inventory" in the drycleaning establishment. *Id.* Westview manufactures and sells specialty electronic devices, including the accused device, and Althon Enterprises, Inc. owns and operates a drycleaning site that uses Westview's accused device. *Id.*

108. *Markman*, 52 F.3d at 974-75. Markman presented testimony of four witnesses: (1) an expert in the field of bar code technology who testified about the manner in which Westview's accused device operates; (2) a patent lawyer who testified about the meaning of the claim language and how that claim language related to the accused device; (3) an accountant who testified as to the number of accused devices sold; and (4) Markman himself, as the inventor, who testified as to his patent and its claims. *Id.* at 973.

109. A "case in chief" is "[t]hat part of a trial in which the party with the initial burden of proof presents his evidence after which he rests." BLACK'S LAW DICTIONARY 216 (6th ed. 1990).

110. *See* FED. R. CIV. P. 50.

111. *Markman*, 52 F.3d at 973.

demonstrated the accused device and testified as to its operation.[112] At the conclusion of this testimony, the district court charged the jury on infringement and instructed them to determine the meaning of the claims "using the relevant patent documents, including the specification, the drawings and the file histories."[113] The court instructed the jury to compare the '054 patent claims with the Westview device to determine whether infringement had occurred.[114] After deliberation, the jury found that the accused device had indeed infringed Markman's '054 patent.[115]

Upon Westview's deferred motion for judgment as a matter of law ("JMOL"), the district court ruled that patent claims construction was a matter of law for the court.[116] The court held that the term "inventory" as used in Markman's '054 patent claims meant "articles of clothing" and that it did not include totals or dollars.[117] Based upon this interpretation, the district court subsequently directed a verdict of noninfringement.[118]

Markman appealed the district court's grant of JMOL, contending that the question of claims interpretation had been properly left to the jury.[119] Relying on a prior Federal Circuit opinion, *Palumbo v. Don-Joy Co.*,[120] Markman argued that when the meaning of a claim is in dispute, a factual question arises and the claim construction is properly left to the jury.[121] Moreover, he argued, a district court should not be permitted to "re-find the facts and reinterpret the claims" once submitted to the jury.[122] In

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112. *Id.* at 972. The accused device consisted of two separate instruments which Westview named the DATAMARK and the DATASCAN. *Id.* The DATAMARK is a stationary unit comprised of a keyboard, electronic display, processor and printer used to record information about the customer, articles to be cleaned and charges entered by the attendant. *Id.* The DATAMARK prints a bar-coded ticket containing this information and stores in memory only the invoice number, date and cash totals. *Id.* The DATASCAN is a portable instrument comprising a microprocessor and an optical detector for reading bar-coded tickets or invoices at any location within the drycleaning establishment. *Id.* at 973. The DATASCAN compared the bar-coded tickets to the inventory list generated by the DATAMARK, thereby identifying extra or missing *invoices*. *Id.* (emphasis added).

113. *Id.* at 973.

114. *Id.*

115. *Id.*

116. *Markman*, 52 F.3d at 973.

117. *Id.*

118. *Id.* For the district court's opinion granting Westview's deferred JMOL, *see Markman v. Westview Instruments, Inc.*, 772 F. Supp. 1535 (E.D. Pa. 1991).

119. *Markman*, 52 F.3d at 973.

120. 762 F.2d 969 (Fed. Cir. 1985).

121. *Markman*, 52 F.3d at 973-74 (citing *Palumbo*, 762 F.2d at 974).

122. *Id.* at 974 (citing Tol-O-Matic, Inc. v. Proma Produkt-Und Marketing Gesellschaft m.b.H., 945 F.2d 1546, 1550-52 (Fed. Cir. 1991)(stating positively the deference due to jury's claims construction)).

particular, Markman argued that the district court should not have redefined the term "inventory" to only mean "articles of clothing," as it could mean "cash" or "invoices" as well as "articles of clothing."[123]

The Federal Circuit affirmed the district court's grant of JMOL.[124] The court opined that upon review of a JMOL, a court first has a duty to say what the correct law is and then determine whether based upon that law the jury's verdict on the factual issues is supported by substantial evidence.[125]

As to the issue of whether patent claims construction is a legal or factual matter, the appellate court conceded that some of its prior decisions were inconsistent.[126] The court stated, however, that at its inception, the Federal Circuit held in *SSIH Equipment, S.A. v. United States International Trade Commission*[127] that claims construction is a matter of law.[128] With this statement, the court repudiated a body of intervening decisions adopting a contrary view.[129] Further, the court opined that a court may

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123. *Id.* Westview focused its argument on the meaning of the term "inventory" exclusively on the '054 patent and prosecution history. *Id.* Westview specifically contended that the testimony and other evidence presented by Markman were in conflict with the patent and prosecution history as to this term, and, therefore, Markman's evidence should be disregarded by the court. *Id.* Westview asserted that claims construction is a legal matter exclusively for the court, subject to *de novo* review. *Id.*

124. *Id.* at 989.

125. *Id.* at 975 (citing Read Corp. v. Portec, Inc., 970 F.2d 816, 821 (Fed. Cir. 1992)).

126. *Markman*, 52 F.3d at 976.

127. 718 F.2d 365 (Fed. Cir. 1983).

128. *Markman*, 52 F.3d at 976 (citing *SSIH*, 718 F.2d at 688 (resting on authority of Winans v. Denmead, 56 U.S.(15 How.) 330 (1853)). *Accord* SRI International v. Matsushita Electric Corp. of America, 775 F.2d 1107, 1118-22 (Fed. Cir. 1985)(*en banc*); Kalman v. Kinberly-Clark Corp., 713 F.2d 760, 770-71 (Fed. Cir. 1983); and Fromson v. Advance Offset Plate, Inc., 720 F.2d 1565, 1569-71 (Fed. Cir. 1983). *Markman*, 52 F.3d at 976.

129. *Markman*, 52 F.3d at 976-77. The *McGill* court had misconstrued an earlier Federal Circuit case, *Envirotech Corp. v. Al George, Inc.*, 730 F.2d 753 (Fed. Cir. 1984), and therefore the court reasoned that *McGill* was not valid precedent. *Id.* at 976. In *McGill*, the plaintiff brought an action alleging infringement of its process patent, and at issue was the meaning of a patent claim. *McGill*, 736 F.2d at 671. The jury returned a verdict of infringement and the court entered judgment for the patentee-plaintiff after denying a motion for judgment notwithstanding the verdict. *Id.* The court of appeals noted that if the language of the claims is undisputed, the trial court may construe the claims as a matter of law. *Id.* at 671-72 (citing Singer Mfg. Co. v. Cramer, 192 U.S. 265, 275 (1904)). Then, citing *Envirotech*, the court concluded that if the "meaning of a term of art in the claims is disputed and extrinsic evidence is needed to explain the meaning, construction of the claims could be left to the jury." *McGill*, 736 F.2d at 672 (citing *Envirotech*, 730 F.2d at 758). The *Markman* court, however, indicated that *Envirotech* is actually consistent with the earlier precedent, as the *Envirotech* court states, "[t]he patented invention as indicated by the language of the claims must first be defined *(a question of law)* and then the trier must judge whether the claims cover the accused device (a question of fact)." *Markman*, 52 F.3d at 976 (quoting *Envirotech*, 730 F.2d at 758)(emphasis added). The court noted that although a significant line of Federal Circuit cases had developed based upon the precedent set by *McGill* (and its erroneous interpre-

use such extrinsic evidence as it finds helpful in understanding the language used in the patent and prosecution history.[130]

The Federal Circuit likened patent claim construction to statutory interpretation, which is a matter of law for the court.[131] Since a patent is a fully integrated written document with a required content specified by statute, it is uniquely suited to have its meaning and scope determined by the court.[132] In conclusion, the court determined that three sources must be examined during the claim construction process: (1) the claims; (2) the specification; and (3) the prosecution history.[133] The court then found that since the district court had included all three of the above mentioned sources in addition to extrinsic evidence in construing the claims in the '054 patent, its interpretation of the term "inventory" was correct.[134]

In a concurring opinion, Judge Mayer criticized the majority decision as "eviscerat[ing] the role of the jury preserved by the Seventh Amendment . . . ."[135] Judge Mayer reasoned that a decision as to what the claims mean usually decides the case.[136] Referring to Judge Nies' dissent in *In re Lockwood*, Judge Mayer intimated that the majority decision in *Markman* was in line with the "broader bid afoot to essentially banish juries from patent cases altogether."[137]

Although Judge Mayer agreed with the majority that claims construction has always been a matter of law for the court, he stressed that the underlying factual issues should be left to the

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tation of *Envirotech*), the Supreme Court has repeatedly held that patent claim construction is a matter of law within the exclusive province of the court. *Id.* at 977 (citing Coupe v. Royer, 155 U.S. 565, 579-80 (1895); Keystone Bridge Co. v. Phoenix Iron Co., 95 U.S. 274, 275 (1877); Winans v. New York & Erie R.R. Co., 62 U.S.(21 How.) 88, 100 (1859); Winans v. Denmead, 56 U.S.(15 How.) 330, 338 (1853); Silsby v. Foote, 55 U.S.(14 How.) 218, 225 (1853); and Hogg v. Emerson, 47 U.S.(6 How.) 437, 484 (1848)).

130. *Markman*, 52 F.3d at 981.

131. *Id.* at 987.

132. *Id.* at 978. The statute requires that a patentee include claims "particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." *Id.* (quoting 35 U.S.C. § 112 (1988)).

133. *Id.* at 979. The court noted that the specification may be considered a dictionary of sorts to explain the invention and define the terms where the inventor is free to assign special meanings to words so long as the inventor clearly defined those words in the specification. *Id.* at 979-80.

134. *Id.* at 979. The court agreed that "inventory" in claim 1 of the Markman patent includes within its meaning "articles of clothing." *Id.* at 988-89. As Westview's accused device cannot track articles of clothing, there was no evidence supporting the jury's verdict of infringement. *Id.* at 989.

135. *Markman*, 52 F.3d at 989 (Mayer, J., concurring).

136. *Id.*

137. *Id.*

jury.[138] Judge Mayer reasoned that a judge's decision as to the factual issues underlying claims construction "flies in the face" of the Seventh Amendment right to a jury trial.[139]

The most comprehensive criticism of the majority opinion in *Markman* came from Judge Pauline Newman's dissent. Judge Newman first argued that even if claim construction is ultimately a matter of law, there are significant underlying factual issues that must be decided by a jury.[140] While the majority did recognize the relevance of extrinsic evidence in the patent claims construction process, Judge Newman noted that its holding confirmed that juries may not weigh this evidence.[141] In particular, noted Judge Newman, the majority decision dictates that when the court's claim construction is appealed, the Federal Circuit must itself weigh the evidence on *de novo* review.[142] Judge Newman stated, "[i]n resolving litigation controversy by determining mechanical or chemical or electronic truth, it is hard to understand why justice should be handicapped in the Federal Circuit by replacement of a live trial with cold documents."[143]

The most scholarly and extensive portion of Judge Newman's dissent addressed the majority opinion's effect upon the Seventh Amendment right to a jury trial.[144] Examining the origins of patent law and litigation in England, Judge Newman stressed that patent cases were always tried in courts of law before a jury unless the patentee sought only equitable relief.[145] It was this right to a jury trial, Judge Newman opined, which was guaranteed by the Seventh Amendment.[146]

Upon the United States Supreme Court's grant of certiorari to the *Markman* case, the Court determined that the interpretation of a patent claim is indeed a matter of law reserved for the court rather than a matter subject to the Seventh Amendment guarantee of a jury trial whereby the jury must determine the meaning of a disputed term of art about which expert testimony is prof-

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138. *Id.* Judge Mayer stated that since the issue of patent scope depends on the legal effect of the language of the claims, it is a legal matter, however, it does not necessarily follow that the judge is to decide every question arising during the claims construction process. *Id.*

139. *Id.* at 992 (citing *Chauffeurs*, 494 U.S. at 564).

140. *Markman*, 52 F.3d at 1004 (Newman, J., dissenting).

141. *Id.* at 1001.

142. *Id.* at 1006. The dissent posed the question of what procedure the court would use if it was to find complex and technological facts for itself, and how was correctness to be achieved during the appellate process of "page-limited briefs and fifteen minutes per side of argument?" *Id.* at 1021 n.11.

143. *Id.*

144. *Id.* at 1010.

145. *Markman*, 52 F.3d at 1010-14.

146. *Id.* at 1015-16.

fered.[147] Consistent with the historical test, the Court compared the statutory action to 18th century actions of the courts in England prior to merger. The Court concluded that "there is no dispute" that modern infringement actions must be tried to a jury as were their predecessors more than two centuries ago.[148]

Looking to existing precedent, the Court noted that there are two elements to a patent infringement determination: (1) construing the claims; and (2) determining whether those claims are infringed by the accused device.[149] The Court then held that the former is a question for the judge and the latter is a question for the jury.[150] This conclusion, it noted, was one that the Court had repeatedly supported in its prior decisions and one that was understood by commentators.[151] The Court also reasoned that functional considerations play a part in the choice between judge and jury to interpret terms of art within a patent, and because "construction of written instruments is one of those things that judges often do and are likely to do better than juries," judges and not juries are better suited to ascertain the meaning of patent terms.[152] Markman had argued that since questions as to the meaning of a term of art are the subject of testimony, credibility determinations must be made by the jury.[153] The Court refuted this argument, however, on the basis that it is unlikely that a case would arise in which a simple credibility judgment "would

147. Markman v. Westview Instruments, Inc., 116 S. Ct. 1384, 1387 (1996).

148. *Id.* at 1389-90 (citing Granfinanciera, S.A. v. Nordberg, 492 U.S. 33, 42); Braman v. Hardcastle, 1 Carp. P.C. 168 (K.B. 1789)). The Court found, however, no clear guidance in common law practice for dealing with such a "mongrel practice" as construing a patent claim with the aid of evidence. *Id.* at 1389. The closest 18th century analogue to claim construction, the Court found, was the construction of patent specifications. *Id.* at 1391. There was no support from case law of that period to uphold the argument, by analogy, that modern claim construction should be left for the jury. *Id.* at 1390-91.

149. *Id.* at 1393. The Court quoted the opinion of Justice Curtis, the former patent practitioner, in *Winans v. Denmead*, 56 U.S.(15 How.) at 338, where Justice Curtis stated, "[t]he first is a question of law to be determined by the court, construing the letters-patent, and the description of the invention and specification of claim annexed to them. The second is a question of fact [infringement] to be submitted to the jury." *Id.*

150. *Id.*

151. *Id.* at 1394-95 (citing *Coupe*, 155 U.S. at 579-80; Silsby v. Foote, 55 U.S.(14 How.) 218, 226 (1853); Hogg v. Emerson, 47 U.S.(6 How.) 437, 484 (1848); A. WALKER, PATENT LAWS 75 at 68 (3d ed. 1895); and 2 W. ROBINSON, LAW OF PATENTS 732 at 481-83 (1890)).

152. *Markman*, 116 S. Ct. at 1395 (citing Miller v. Fenton, 474 U.S, 104, 114 (1985)(holding that when an issue "falls somewhere between a pristine legal standard and a simple historical fact, the fact/law distinction at times has turned on a determination that, as a matter of sound administrative justice, one judicial actor is in a better position than the other to decide the question.")).

153. *Id.* at 1395.

suffice to choose between experts whose testimony was equally consistent with a patent's internal logic."[154]

Finally, the Court held that because the limits of what is claimed by the patentee must be known to others for the protection of the patentee, it is in the best interest of uniformity that patent claim construction be given to the court.[155] After all, the Court noted, it was for the sake of such uniformity that Congress created the Court of Appeals for the Federal Circuit as the exclusive appellate court for patent cases.[156] Accordingly, the Court in *Markman* held that the interpretation of the word "inventory" in the Markman patent claim was an issue for the judge, not the jury.[157]

C. *Hilton Davis Chemical Co. v. Warner-Jenkinson Co.*

In July of 1993, the Court of Appeals for the Federal Circuit announced that it would rehear *en banc* an appeal from *Hilton Davis Chemical Co. v. Warner-Jenkinson Co.*[158] to consider three issues involving patent infringement under the doctrine of equivalents.[159] Parties in the case were then asked to brief three questions: (1) does a finding of infringement under the doctrine of equivalents require anything in addition to the proof of facts that there is the same or substantially the same function, way and result; (2) is the issue of infringement under the doctrine an equitable determination for the court or an issue of fact for the jury; and (3) is the application of the doctrine by the trial court in

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154. *Id.* The Court reasoned that credibility judgments will likely be subsumed within the analysis of the document as a whole since a term may be defined only in a way that comports with the document as a whole. *Id.*

155. *Id.* at 1395-96.

156. *Id.* at 1396 (citing H.R. REP. No. 97-312 at 20-23 (1981)(observing that uniformity would "strengthen the United States patent system in such a way as to foster technological growth and industrial innovation.")).

157. *Markman*, 116 S. Ct. at 1396.

158. 62 F.3d 1512 (Fed. Cir. 1995), *cert. granted*, 116 S. Ct. 1014 (U.S. Feb. 26, 1996).

159. *Hilton Davis*, 62 F.3d at 1516. *See supra* notes 18-20 and accompanying text for a discussion of the doctrine of equivalents. Hilton Davis Chemical Co. ("Hilton Davis") sued Warner-Jenkinson Co., Inc. ("Warner-Jenkinson") for infringement of United States Patent No. 4,560,746 ("the '746 patent") under the doctrine of equivalents. *Id.* at 1515. The trial court entered judgment on a jury verdict of infringement and the Federal Circuit affirmed. *Id.* The '746 patent claimed an improved process for purification of Red Dye #40 and Yellow Dye #6 utilizing ultrafiltration through a membrane filter. *Id.* Warner-Jenkinson had independently developed the accused ultrafiltration process for Red Dye #40 and Yellow Dye #6. *Id.* Warner-Jenkinson did not learn of the '746 patent until October of 1986, after it had begun commercial use of the accused process to purify Red Dye #40. *Id.* at 1516. Hilton Davis became aware of the Warner-Jenkinson process in 1989 and sued for infringement in 1991. *Id.*

order to find infringement discretionary in accordance with the circumstances of the case?[160]

The Federal Circuit determined that beyond the tripartite function/way/result test, a finding of infringement under the doctrine of equivalents requires proof of "insubstantial differences" between the claimed and accused products or processes.[161] Although the function/way/result test will often suffice to show the extent of these differences, the court concluded that other factors may also be considered, such as evidence relating to copying or "designing around" a claimed product or process.[162]

As to the second question posed to the parties, the court clearly enunciated that infringement, whether literal or under the doctrine of equivalents, is an issue of fact to be submitted to the jury in a jury trial.[163] The court noted that the Supreme Court in *Graver Tank* made it abundantly clear that infringement under the doctrine of equivalents is an issue of fact.[164] When tried to the court, an appellate court reviews the trial court's finding of infringement for clear error; when tried to a jury, an appellate court reviews the jury verdict for lack of substantial evidence.[165]

Although the Federal Circuit in several opinions has referred to the doctrine of equivalents as "equitable," the court explained that such allusions invoked equity in its broadest sense - equity as general fairness.[166] The court noted that in *Graver Tank*, the Supreme Court explained that the doctrine prevents "the unfairness of depriving the patent owner of effective protection of its invention," thereby achieving a fair or "equitable" result.[167] While recognizing this equity or fairness aspect, however, the Supreme Court clearly stated that the question of infringement

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160. *Hilton Davis*, 62 F.3d at 1516.

161. *Id.* at 1521.

162. *Id.* at 1522 (citing *Graver Tank*, 339 U.S. at 609). The court noted that the test for "insubstantial differences" is an objective one measured from the vantage point of one of ordinary skill in the relevant art. *Id.* at 1519. The court concluded that from evidence of copying, the fact-finder may infer that the copyist made a fair copy of the claimed product or process with only insubstantial differences. *Id.* The court determined that evidence of "designing around" a patent weighs against a finding of infringement because the fact-finder may infer from such evidence that the competitor has made substantial changes to avoid infringement. *Id.* at 1520.

163. *Id.* at 1522 (citing *Winans*, 56 U.S.(15 How.) at 338). This decision took many by surprise in light of the *Markman* decision. It appears that now, after the court interprets the scope of the patent claims, the issue of infringement is an issue of fact solely for the jury.

164. *Id.* at 1520 (citing *Graver Tank*, 339 U.S. at 609-10).

165. *Hilton Davis*, 62 F.3d at 1520 (citing Genetech, Inc. v. Wellcome Foundation Ltd., 29 F.3d 1555, 1565 (Fed. Cir. 1994)). *See supra* notes 61-62 and accompanying text for a discussion of the substantial evidence test.

166. *Hilton Davis*, 62 F.3d at 1521.

167. *Id.* (citing *Graver Tank*, 339 U.S. at 607).

under the doctrine of equivalents is an issue of fact, and the Federal Circuit has followed this analysis.[168] The Federal Circuit reasoned that since the Supreme Court in *Graver Tank* credited the origin of the doctrine of equivalents to its own decision in *Winans v. Denmead*, a case at law and not in equity, the doctrine has a legal basis for recovery and not an equitable one.[169]

The court then determined that the answer to the third question posed to the parties in this case flowed from the court's answer to the second question. In particular, the Supreme Court cases involving the doctrine of equivalents, which is a doctrine of fairness with its origins in a case at law, foreclose a holding that the doctrine is a matter of equity to be applied at the court's discretion.[170] Therefore, the court held that a trial judge does not have discretion to choose whether to apply the doctrine of equivalents when the record shows no literal infringement.[171]

IV. ANALYSIS

The fact that the Supreme Court has granted certiorari to three cases relating to the role of a jury in patent litigation sends a clear message that the Court considers the issue to be one of utmost importance and in dire need of resolution.[172] Given the recent controversy surrounding jury trials in complex litigation, and more specifically in patent trials, some would say that the courts are attempting to limit or even eliminate juries altogether from such trials.[173]

Contrary to this belief, however, the Supreme Court's holding in *Markman* illustrates that the Court is giving much needed definition to the role of a jury in patent trials. Modern patent

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168. *Id.*

169. *Id.*

170. *Id.* at 1522.

171. *Hilton Davis*, 62 F.3d at 1521. The Supreme Court granted Warner-Jenkinson's petition for certiorari on February 26, 1996. Hilton Davis Chemical Co. v. Warner-Jekinson Co., 62 F.3d 1512 (Fed. Cir. 1995), *cert. granted*, 116 S. Ct. 1014 (U.S. Feb. 22, 1996). The Court's decision is anxiously awaited by patent practitioners.

172. Of the 1,534 petitions for certiorari before the Court when its term began in October of 1995, only nine cases were chosen for review, leading commentators to believe that the Justices would issue written opinions in approximately only seventy-five cases. David G. Savage, *Docket Reflects Ideological Shifts*, ABA JOURNAL, Dec. 1995 at 40. During the 1980's, the Court granted roughly three percent of petitions filed; now the rate is less than one percent. *Id.* (citing *Quiet Times*, ABA JOURNAL, Oct. 1994 at 40).

173. *See* Judge Mayer's concurring opinion and Judge Newman's dissent in *Markman*, 52 F.3d at 989. *See also* REMARKS OF ROBERT MAYER, Eleventh Federal Circuit Judicial Conference (June 18, 1993), *in* 153 F.R.D. 177, 250 (1993).

litigation has indeed seen an incredible increase in requests for jury trials, thus bringing these issues to the forefront.[174]

The Federal Circuit, which is the exclusive appellate forum for patent litigation, has itself wrought much of the confusion in this area. In *In re Lockwood*, the court's March 11, 1994 order granting mandamus held that since Lockwood's underlying claim for infringement damages was the basis of the declaratory judgment action sought by American, the claim for infringement damages still existed in the case.[175] Although the Federal Circuit redacted this erroneous holding on rehearing, it nevertheless reinstated Lockwood's request for a jury trial on questionable grounds.[176]

If, as the Federal Circuit conceded, Lockwood's claim for infringement existed no more, then his claim for infringement damages no longer existed. Without a claim for damages, there was no legal remedy sought. The dissent was thus correct in asserting that the only claim remaining, that of American for a declaration of patent invalidity, was equitable in nature. Therefore, the district court properly denied Lockwood's demand for a jury trial.

In *Markman*, the Federal Circuit conceded that an entire line of cases regarding jury resolution of the underlying factual issues of patent claim construction had relied upon its erroneous decision in *McGill*.[177] The court then used *Markman* as an opportunity to set forth the correct law, relying on its own precedent prior to *McGill* as well as relevant Supreme Court precedent.

In *Hilton Davis*, the Federal Circuit clarified what it meant by the term "equitable" in the context of the doctrine of equivalents. Although the court had referred to the doctrine as "equitable" in previous decisions, it explained that such allusions invoked equity in the sense of general fairness.[178] Thus, infringement under the doctrine of equivalents remains a question of fact for the jury.[179]

Although *In re Lockwood*, *Markman* and *Hilton Davis* all deal with distinct issues, together they represent a judicial attempt to define the role of the jury in patent cases while preserving the Seventh Amendment right to a jury trial. The recent Supreme

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174. *See Lockwood*, 50 F.3d at 980-81 (Nies, J., dissenting)(citing Blonder-Tongue Lab v. Univ. of Illinois Found., 402 U.S. 313, 336 n.30 (1971)). Between 1968 and 1970, only 13 of 382 patent cases were jury trials; now more than half are tried to juries. *See id.* at 980-81 & n.1.

175. *Lockwood*, 50 F.3d at 969.

176. *Id.* at 986 (Nies, J., dissenting).

177. *Markman*, 52 F.3d at 976-77.

178. *Hilton Davis*, 62 F.3d at 1521.

179. *Id.* at 1522.

Court decision in *Markman*, however, holding that the judge and not the jury is to interpret patent claims, will no doubt affect the issues raised in the other two cases.

Finding little support in patent jurisprudence history, the Supreme Court in *Markman* relied on its own precedent and functional concerns when holding that patent claims construction is a question for the court.[180] The Court itself, in *U.S. Industrial Chemicals, Inc. v. Carbide & Carbon Chemicals Corp.*,[181] stated that "it is permissible, and often necessary, to receive expert evidence to ascertain the meaning of a technical or scientific term or term of art so that the court may be aided in understanding . . . what [documents] actually say."[182] Such extrinsic evidence, the Court noted, should be used for a court's interpretation of a patent, not to contradict the claims.[183]

Although the Court granted American's petition for certiorari in *In re Lockwood*, it vacated this grant once Lockwood withdrew his demand for a jury trial.[184] Therefore, the Court unfortunately has yet to address the issue of whether the underlying factual disputes relevant to patent validity are subject to the Seventh Amendment right to a jury trial.

In *Graham v. John Deere Co.*,[185] the Court declared that the issue of patent validity is a matter of law.[186] There appears to be no clear precedent, however, as to which entity—the judge or the jury—is to decide the underlying factual disputes relevant to patent validity.[187] This lack of precedent appears to be somewhat analogous to the circumstances surrounding the issue confronting the Court in *Markman*.

When the Court finally addresses this issue, it may apply the same rationale as it did in *Markman*. The factual issues underlying patent validity involve the statutory requirements for patentability; that is, novelty, utility and nonobviousness. Given that the *Graham* Court has already determined patent validity to be a matter of law, the Court may, in the interest of uniformity and functional considerations, conclude that the judge and not the jury is better suited to decide these underlying factual issues.

These factual issues, however, are much broader in scope than are those underlying the interpretation of a term of art in a pat-

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180. *Markman*, 116 S. Ct. at 1395.
181. 315 U.S. 668 (1942).
182. *U.S. Indus. Chems.*, 315 U.S. at 678.
183. *Id.*
184. *See supra* notes 104, 105.
185. 383 U.S. 1 (1966).
186. *Graham*, 383 U.S. at 17.
187. *Lockwood*, 50 F.3d at 987 (Nies, J., dissenting).

ent claim. Unlike claims construction, where the ultimate infringement issue remains for the jury, if the court reserves for itself the entire resolution of the validity/invalidity issue, including the disputed underlying factual issues,[188] the Seventh Amendment right to a jury trial could be compromised.

As the Court in *Markman* clearly enunciated, "there is no dispute that infringement cases today must be tried to a jury, as their predecessors were more than two centuries ago."[189] It is likely then that the Court will affirm the Federal Circuit's decision in *Hilton Davis* and thus hold that infringement under the doctrine of equivalents is an issue of fact for the jury.[190]

The "equitable" nature of the doctrine to which Federal Circuit previously alluded was equity in the sense of fairness. The Supreme Court has already held in *Graver Tank* that the question of infringement under the doctrine of equivalents was one of fact for the jury, and it is likely to defer to that precedent.

The task remains for the Court, however, to clarify just how a motion for summary judgment for noninfringement would be handled as to a claim for infringement under the doctrine of equivalents once claim interpretation has been accomplished by the Court under *Markman*. A *Markman* claim interpretation that precludes a finding of literal infringement would support the grant of a motion for summary judgment of noninfringement.[191] A holding by the Court that infringement under the doctrine of equivalents is a jury question would seem to preclude the grant of such a motion in an action for infringement under the doctrine.[192]

V. Conclusion

Patents encourage technological innovation and promote industrial growth by granting to the patentee the exclusive right to exclude competitors from making, using or selling the claimed

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188. Such factual issues might include a determination of whether the claimed invention was patented or described in a printed publication in this or a foreign country or in use or on sale in the United States more than one year before the United States patent application was filed. *See supra* note 7 for the pertinent text of 35 U.S.C. § 102(b) (1988). Factual issues underlying a claim of patent invalidity may also arise, *inter alia*, if the unobviousness of an invention is challenged under 35 U.S.C. § 103 (1988), or if true inventorship is challenged under 35 U.S.C. § 116 (1988). As a statutory presumption of patent validity exists, the burden of establishing invalidity rests upon the party asserting the defense. 35 U.S.C. § 282 (1988).

189. *Markman*, 116 S. Ct. at 1389.

190. *Hilton Davis*, 62 F.3d at 1520.

191. Henry Bunsow & Michelle K. Lee, *Patent Roles for Judges and Juries*, American Lawyer Media, The Recorder, Sept. 20, 1995 at 6.

192. *Id.*

invention. In a competitive and highly technical global economy, patents are clearly valuable property. The value of a patent is limited by the ability of the patentee or the patent owner to enforce the patent. Therefore, uniformity in patent law and its application is an absolute necessity.

As demands for jury trials in patent cases have recently increased, it has come to the Supreme Court's attention that many issues relating to the role of the jury in patent litigation remain unresolved. When is the right to a trial by jury guaranteed by the Seventh Amendment in the context of patent litigation? What specific issues are exclusively for the court as questions of law and are reserved for the jury as questions of fact?

Recognizing the need for swift resolution, the Court has begun to define, not restrict or eliminate, the role of the jury in patent cases. As civil jury trials are guaranteed by the Seventh Amendment, juries are certainly here to stay in patent and other complex litigation. *Markman* and the decision from *Hilton Davis* will delineate, however, the proper role of the jury in these cases. Hopefully, with the lower courts on the right track, patent jurisprudence will develop more uniformly and predictably.

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